

Fiscal Service, Treasury

§ 355.5

Security means a direct obligation of the United States, including Treasury bill, note, or savings bond/note.

§ 355.3 Presentment.

(a) *Manner of presentment.* Presentment of a fiscal agency check must be made to the payor Reserve Bank. Such Reserve Bank will cash a fiscal agency check over-the-counter only if presented by the payee and the payee can be reasonably identified to the satisfaction of the Reserve Bank. Otherwise, a fiscal agency check must be presented through banking channels. A refusal to accept or pay a fiscal agency check presented over-the-counter by a person other than the payee or by a payee not reasonably identified does not constitute dishonor.

(b) *Time limit on presentment.* A payor Reserve Bank may refuse to pay a fiscal agency check presented to it more than six (6) months after the issue date on the check. A fiscal agency check not timely presented should be surrendered by the holder to the payor Reserve Bank with a request for issuance of a replacement check pursuant to § 355.5 (d) of this part.

§ 355.4 Presentment warranties.

(a) *Warranties under Regulation J and State law; modifications.* A presenting bank makes the warranties required of a sender under Subpart A of Regulation J. This paragraph does not limit any warranty by a presenter or other party arising under State law. Neither the Department nor a Reserve Bank is barred from recovering on a breach of warranty solely because:

(1) The negligence of the Department or of a Reserve Bank, as fiscal agent, had contributed to a fraudulent indorsement or material alteration;

(2) The Department or a Reserve Bank, as fiscal agent, had failed promptly to discover an unauthorized signature or alteration; or

(3) An imposter had fraudulently caused the issuance of a fiscal agency check in the name of any existing payee; or

(4) An employee of the Department or a Reserve Bank, as fiscal agent, had fraudulently caused the issuance of a fiscal agency check in the name of any existing payee.

(b) *Effect of breach of warranty.* In the event of a breach of warranty, the payor Reserve Bank may either return the item to the presenting bank or send to the presenting bank notice of the breach. If, upon receipt of the returned check or notice of breach, the presenting bank does not make prompt restitution, the Department may begin appropriate collection procedures.

§ 355.5 Notice and replacement—non-receipt, theft, loss or destruction; late presentment.

(a) *Notification.* If a fiscal agency check is not received by the payee within a reasonable time after a payment is due, or if the check is lost, stolen or destroyed, prompt notification thereof should be made to the payor Reserve Bank or directly to the Department, as appropriate. The notice may be given by telephone, but if it is given by telephone, such notice must be confirmed in writing before a replacement check is issued. The notification must contain sufficient information to enable the payor Reserve Bank or the Department to identify the account and/or the security to which the payment is related. Payment on a fiscal agency check will be stopped if the notice of non-receipt, loss, theft, or destruction is received at such time and in such manner as to afford the payor Reserve Bank a reasonable opportunity to act on it prior to final payment, as provided by applicable law.

(b) *Replacement action.* The payor Reserve Bank will issue a replacement fiscal agency check if:

(1) Written notice, as provided in paragraph (a) of this section, is submitted;

(2) The fiscal agency check is unpaid;

(3) It determines that recovery of the original check is unlikely; and

(4) The payee and endorsee, if any, of the check execute such indemnification agreement as may be required.

(c) *Recovery before replacement.* If prior to the issuance of a replacement fiscal agency check, the original check is recovered by the payee or any holder, and such recovery is confirmed in writing, the stop payment order against the check will be removed. If a replacement check was issued, the